

BILL NUMBER: AB 1817 CHAPTERED 09/27/93
BILL TEXT

CHAPTER 496
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APPROVED BY GOVERNOR SEPTEMBER 25, 1993
PASSED THE SENATE AUGUST 30, 1993
PASSED THE ASSEMBLY JUNE 3, 1993
AMENDED IN ASSEMBLY JUNE 1, 1993
AMENDED IN ASSEMBLY MAY 5, 1993

INTRODUCED BY Assembly Member McDonald

MARCH 5, 1993

An act to amend and repeal Section 20499.5 of, and to add and repeal Section 20864.6 of, the Government Code, relating to the Public Employees' Retirement System, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1817, McDonald. PERS school members: compensation reductions: service credit.

An existing provision of the Public Employees' Retirement Law that is repealed on January 1, 1995, authorizes contracting agencies that are forced to reduce the compensation of their employees as a direct result of a fiscal emergency and in a manner prescribed by the board, to preserve the retirement benefits of their employees at a level no lower than that achieved prior to the reduction.

This bill would make that provision applicable also to county superintendents of schools, school districts, and community college districts and would extend the repeal date from January 1, 1995, to January 1, 1996.

This bill would also authorize county superintendents of schools, school districts, and community college districts to provide that for all retirement purposes for school members in a personal leave program, credit for service shall be based on the amount of service that would have been accredited had the member not been in the personal leave program. This provision would be repealed on January 1, 1996.

This bill would declare that it is to take effect immediately as an urgency statute.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 20499.5 of the Government Code is amended to read:

20499.5. (a) Notwithstanding any other provision of this part, a contracting agency, county superintendent of schools, school district, or community college district, that is forced to reduce the compensation of its employees as a direct result of a fiscal emergency may, pursuant to this section and in a manner prescribed by the board, preserve the retirement benefits

of its employees at a level no lower than that achieved prior to the reduction. The operative date of the benefit adjustments shall be the date of adoption of this section by the governing body or the first day of the pay period in which the reduction occurred but not earlier than July 1, 1992.

(b) This section shall not apply to any contracting agency, county superintendent of schools, school district, or community college district unless and until its governing body adopts a resolution, in a form provided by the board, to be subject to it and a copy is filed with the system.

(c) This section shall remain in effect only until January 1, 1996, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends that date.

SEC. 2. Section 20864.6 is added to the Government Code, to read:

20864.6. For all retirement purposes including benefit eligibility and calculations of retirement allowances for school employees in a personal leave program, credit for service shall be based on the amount of service that would have been credited had the employee not been in a personal leave program.

This section shall not apply to any county superintendent of schools, school district, or community college district unless and until its governing body adopts a resolution, in a form provided by, and under the conditions imposed by, the board, to be subject to this section, and a copy thereof is filed with the system.

This section shall remain in effect only until January 1, 1996, and as of that date is repealed, unless a later enacted statute, that is chaptered before that date, deletes or extends that date.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that unintended and unfair effects of personnel actions taken by local public educational entities in response to fiscal emergencies, upon retirement benefits of school members of the Public Employees' Retirement System may be remedied at the earliest possible time, it is necessary that this act take effect immediately.
